

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

<b>IN THE MATTER OF: Karen S. Revelle,</b>	)	
<b>Brett K. Revelle, Joseph J. Revelle, and</b>	)	
<b>Revelle Resources Inc.,</b> its partners, members, officers,	)	<b>File Number 1000216</b>
directors, agents, employees, affiliates, successors,	)	
and assigns.	)	

**TEMPORARY ORDER OF PROHIBITION**

**TO THE RESPONDENTS: Karen S. Revelle  
Revelle Resources Inc.  
275 Hickory Point Court  
Forsyth, Illinois 62535**

**Brett K. Revelle  
538 Woods Creek Lane  
Algonquin, Illinois 60102**

**Joseph J. Revelle  
2456 Waterleaf Lane  
Woodstock, Illinois 60098**

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

**BACKGROUND FACTS**

1. Karen S. Revelle ("Respondent Karen Revelle" or collectively with Respondents Brett K. Revelle, Joseph J. Revelle and Revelle Resources Inc., "Respondents") is a natural person. His last known business address is in Forsyth, Illinois.
2. Brett K. Revelle ("Respondent Brett Revelle" or collectively with Respondents Karen Revelle, Joseph J. Revelle and Revelle Resources Inc., "Respondents") is a natural person. His last known business address is in Forsyth, Illinois. His last known business address is in Forsyth, Illinois.

## TEMPORARY ORDER OF PROHIBITION

- 2 -

3. Joseph J. Revelle ("Respondent Revelle" or collectively with Respondents Brett K. Revelle, Karen Revelle and Revelle Resources Inc., "Respondents") is a natural person. His last known business address is in Forsyth, Illinois.
4. Revelle Resources Inc., ("Respondent Revelle Inc." or collectively with Respondent Revelle, "Respondents") is an Illinois corporation. Its last known address is in Forsyth, Illinois.
5. Respondent Revelle Resources Inc. is an oil exploration and development company in Illinois.
6. Respondent Karen Revelle is the President of Respondent Revelle Resources Inc. at all relevant times herein.
7. Respondent Brett Revelle is the Director of Operations and Vice President of Respondent Revelle Resources Inc.
8. Respondent Joseph Revelle is the Sales/VP of Respondent Revelle Resources Inc.
9. Respondents offered and sold undivided working interests in oil and gas leases; specifically wells known as Harley #22 and Bell Brothers #4 (the "Product").
10. Respondents offered the product through a general solicitation of cold calling and mailings.
11. Respondents sold the product to accredited and non-accredited investors.
12. Respondents sold the product from Illinois to investors residing in the State of Illinois and outside of the State of Illinois.
13. Respondents paid salespersons commissions 50% of the money that the investors supplied the Respondents.
14. Respondents failed to disclose to investors that their 50% investment money was used to pay sales commissions.
15. Respondents failed to segregate the investment money and pooled the money from investors of Harley #22 and Bell Brothers #4 wells, and only used the money to drill the Harley #22 well.
16. Respondents used the money invested from the Bell Brothers #4 investors for other purposes.

## TEMPORARY ORDER OF PROHIBITION

- 3 -

17. Respondents failed to disclose to investors that money for the Bell Brothers #4 well was used for other purposes and comingled with the money to drill the Harley #22 well.
18. Respondents failed to tell investors that the States of Texas and Oklahoma have Orders against them, prohibiting the Respondents from offering or selling securities.

### **COUNT I**

#### **815 ILCS 5/12.F violation: Respondents engaged in practices in connection with the sale of securities that worked a fraud or deceit on the purchaser thereof**

19. Paragraphs 1-18 are re-alleged and incorporated by reference.
20. Respondent made material misstatements regarding the drilling of Bell Brothers #4 well.
21. Respondents used the money invested in BB#4 well for other purposes.
22. Respondents failed to disclose to investors that they were prohibited in other jurisdictions.
23. Section 12.F of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to “engage in any transaction, practice, or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.”
24. By virtue of the foregoing, Respondents violated Sections 12.F of the Act.

### **COUNT II**

#### **815 ILCS 5/12.I violation: Respondent employed a scheme to defraud in connection with the sale of securities**

19. Paragraphs 1-18 are re-alleged and incorporated by reference.
20. Respondent made material misstatements regarding the drilling of Bell Brothers #4 well.
21. Respondents used the money invested in BB#4 well for other purposes.
22. Respondents failed to disclose to investors that they were prohibited in other jurisdictions.

TEMPORARY ORDER OF PROHIBITION

- 4 -

23. Section 12.I of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to “employ any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly.”
24. By virtue of the foregoing, Respondents violated Sections 12.I of the Act.

**COUNT III**

**815 ILCS 5/12.G violation: Respondents obtained  
Complainants’ money by making  
untrue statement of material fact  
and omission to state a material fact**

19. Paragraphs 1-18 are re-alleged and incorporated by reference.
20. Respondent made material misstatements regarding the drilling of Bell Brothers #4 well.
21. Respondents used the money invested in BB#4 well for other purposes.
22. Respondents failed to disclose to investors that they were prohibited in other jurisdictions.
23. Section 12.G of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to “obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.”
24. By virtue of the foregoing, Respondents violated Sections 12.G of the Act.
25. The aforementioned findings are based upon credible evidence.
26. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
27. The entry of this **Temporary Order of Prohibition** prohibiting Respondents, or their agents, affiliates, successors and employees, from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

TEMPORARY ORDER OF PROHIBITION

- 5 -

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents Karen Rev elle, Brett K. Revelle, Joseph J. Revelle and Revelle Resources Inc. and their/its partners, members, officers, directors, agents, employees, affiliates, successors and assigns, are **Temporarily Prohibited** from offering or selling securities in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondent may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the **Temporary Order of Prohibition**. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for ninety (90) days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This 30<sup>th</sup> day of April 2012.

A handwritten signature in black ink that reads "Jesse White". The signature is stylized with a large, sweeping "J" and a long, horizontal stroke extending to the right, ending in a small flourish.

JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:  
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